**Export Oriented units in VEPZ**

1512. DR. Y. LAKSHMI PRASAD: Will the Minister of COMMERCE be pleased to state:

(a) whether Visakhapatnam Export Processing Zone has approved proposals from the industrialists in order to set up various export oriented units at the Zone; and

(b) if so, the details thereof and the steps taken to implement the suggestions made in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULI RAMAIAH): (a) and (b) On the basis of proposals received from entrepreneurs, 17 projects have been approved for establishment in the Visakhapatnam Export Processing Zone, of which two are in operation and the remaining are at various stages of implementation. These projects broadly fall under the product groups of computer systems and fax paper rolls, readymade garments, pharmaceutical products, plastic goods, automobile wheels etc.

Steps taken to increase exports from Export Processing Zones include broadening of the area of activity to cover trading re-export after re-packing/ labelling flexible value addition norms and simplification of Custom procedures.

**Export Import Trade which China**

1513. SHRI ASHOK MITRA: Will the Minister of COMMERCE be pleased to state:

(a) the total exports to and imports from the People's Republic of China in each of the years since 1991-92;

(b) whether proposals are on the anvil raise the volume of trade with that country; and

(c) the specific problems and difficulties that are being encounieied In the matter?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULI RAMAIAH): (a) to (c) the total exports to and imports from the People's Republic of China since 1991-92, as per statistics published by DGCI&S are as given below:—

| Year | Exports | Imports (Rs. in lakhs) |
|---|---|---|
| 1991-92 | 11876.87 | 5141.96 |
| 1992-93 | 39763.10 | 37408.76 |
| 1993-94 | 85718.56 | 97235.44 |
| 1994-95 | 79971.57 | 236802.24 |
| 1995-96 | 109743.97 | 273283.82 |
| 1996-97 (Upto Dec, '96) | 145945.52 | 178513.91 |

The statistics indicate a steady growth in the volume of bilateral trade. Constant efforts are made to increase the bilateral trade further through bilateral trade agreements, review meetings, Indo-China Business Councils Meetings, increased participation in Trade Fairs, Joint Ventures, and facilitating increased interaction between the business communities of the two countries.

**Growth in Exports**

1514. SHRI RAMDAS AGARWAL: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that as against the annual target of about twenty per cent growth to reach a level of $ 38 billion in the current fiscal year, the exports during first nine months grew by barely six per cent at $ 24.2 billion while imports grew at 4.41 per cent, aided albeit by an over forty per cent growth in oil imports as reported in the Hindustan Times dated 20th February, 1997;

(b) if so, the reasons for deceleration in export growth particularly negative growth in exports during November-Dsv mbcr, 1996 in items like gems and jewellery, garments, carpets etc.; and

(c) the steps Government propose '

take so that new export and import (Exim) policy is "export friendly"?

THE MINISTER OF STATE, OF THE MINISTRY OF COMMERCE (DR. BOLLA BULI RAMAIAH): (a) Yes, Sir. Having regard to export performance during the year, it is felt that exports in the full year might be lower than originally anticipated.

(b) Total value of exports have shown an increase during April-Nov., 1996-97 vis-a-vis the levels of corresponding period of last year. As per DGCI&S data, exports of gems and jewellery, have shown a negative growth of 8.4% in dollar terms during April-Nov. 1996-97; however, readymade garments and carpets have shown a growth of 4.2% and 1.7% respectively and is not negative. The export performance is influenced inter-alia by international market conditions, non-tariff barriers to trade, domestic factors such as supportive infrastructure etc. Gems & jewellery exports have been affected by a dislocation of diamond trade following breakup of arrangements between suppliers of raw material besides a fall in prices of rough diamonds. Carpet exports have been affected due to restriction in importing countries regarding child labour. Readymade garments export have slowed down owing to a shift in demand pattern in major markets,

(c) The new EXIM Policy for 1997—2002 is expected to give further boost to exports.

**SmuglUng of gold through MMTC**

1515. SHRI RAM DAS AGARWAL: Will the Minister of COMMERCE be pleased to state:

(a) whether some of the officials of the Minerals and Metal trading Corporation had 'actively connived' with the gold swindlers to cheat their own organisation of one quintal of gold valued at over Rs. 3 crore as reported in Hindustan Times dated 20th February, 1997;

(b) if so, the findings of the Economic offences wing in this regard so far; and

(c) the preventive measures Government propose to take as involvement of the MMTC officials in the worst ever "gold scam" has virtually grounded the plan to export quality gold jewellery to select European countries and the United States?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULI RAMAIAH): (a) and (b) Under the various schemes of supply of gold to EOU/EPZ units operated by the MMTC under Exim Policy, a total of 172 kg. of gold has been found missing by the custom authorities from custom bonded premises of EOU units. MMTC has filed FIRs with U.P. Police against each of these units in NEPZ which is being investigated by the Economic Offence Wing of UP Government. These cases have also been handed over to appropriate authorities including CBI and DRI for investigation wheh is continuing.

(c) Government has constituted an Inter-Ministerial Group under the Chairmanship of Commissioner of Customs, Delhi to take coordinated action against exporters of gold jewellery committing irregularities under the Exim Policy schemes operated by the MMTC. ' To reduce the possibilities of misuse of the facilities under these schemes, the Government has since made a number of changes in the Exim Policy .with the advice of the Kundra Committee which was constituted in 1995 for this purpose. So far as exports are concerned, the gold jewellery sector had 36.49% growth in 1994-95 and 14.05% in 1995-96. This trend is continuing in the current year also.